

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL MEMORANDUM

HB 2118 – SB 2178

May 11, 2010

SUMMARY OF AMENDMENT (015067): Deletes all language following the enacting clause. Requires any health club that receives fee payments more than 90 days in advance, by making direct withdrawal from the member's account, or provides financing through a third party to post a \$25,000 surety bond with the Department of Commerce and Insurance. Requires any health club that is registered with the Department on June 5, 2010, to post a surety bond or file an audited financial statement with the Department by July 1, 2011.

FISCAL IMPACT OF ORIGINAL BILL:

Increase State Expenditures – Not Significant

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:

Unchanged from the original fiscal note.

Assumption applied to amendment:

- According to the Department of Commerce and Insurance, a surety bond is currently required for health clubs. This bill adds specific language of who should be required to post surety bonds. Any cost can be accommodated within existing resources without an increased appropriation or reduced reversion.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, reading "James W. White".

James W. White, Executive Director

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